

State of Alaska FY2008 Governor's Operating Budget

**Department of Administration
State Travel Office
Component Budget Summary**

Component: State Travel Office

Contribution to Department's Mission

The State Travel Office provides travel services for state government.

Core Services

Administer state travel office serving travelers within the executive branch.
 Manage relationships with providers of travel services to ensure the state is receiving the greatest possible value for its travel expenditures.
 Report information about state travel purchases to all interested parties.

End Results	Strategies to Achieve Results
A: Improved customer satisfaction. <u>Target #1:</u> 90% of surveyed respondents rate STO services as 3.5 or better on a scale of 1 to 5. <u>Measure #1:</u> % of customers rating services as 3.5 or better.	

FY2008 Resources Allocated to Achieve Results	
FY2008 Component Budget: \$1,851,200	Personnel: Full time 3 Part time 0 <hr/> Total 3

Performance Measure Detail

A: Result - Improved customer satisfaction.

Target #1: 90% of surveyed respondents rate STO services as 3.5 or better on a scale of 1 to 5.

Measure #1: % of customers rating services as 3.5 or better.

% of customer satisfaction

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2006	*	*	61.0%	72.0%
FY 2007	78.0%	0	0	0

FY 2006: Data measured on a quarterly basis.

**Data unavailable during this time frame.*

Analysis of results and challenges: The customer satisfaction survey is administered quarterly beginning with the January – March 2006 quarter. It is one of the contractual performance measures that affect the fee paid to USTravel for travel arrangements made by the State Travel Office.

Key Component Challenges

Managed travel – Better management of travel expenditures has been a goal of the Department of Administration for several years. The state travel office was established within the Division of Finance to reach that goal. The initiative includes several aspects to improve efficiency and cut costs: automation of the travel request and approval process; policy development and enforcement; negotiations with key vendors for reduced prices based on volume; and the ability to report travel data. Some of these management goals may not be readily acceptable to state travelers who historically have been able to make their own arrangements. The challenge is to meet their customer service expectations while taking management control of the travel process.

Significant Changes in Results to be Delivered in FY2008

The managed travel initiative is a new area of management for state government. Administering this effort in an efficient, fair, and firm manner continues as a priority for the office in FY 2008.

Major Component Accomplishments in 2006

Recognized as value added to state travel management in an audit entitled "State Travel Procurement Process" dated January 3, 2006 by the Division of Legislative Audit.

Implemented state travel office services for portions of all executive branch agencies. Continuing to expand services to remaining departments. Calculated savings for FY 2006 is \$91,915.

Created hotel program in April 2006 for four cities: Anchorage, Fairbanks, Juneau, and Seattle. Calculated savings over government rate for the fourth quarter is \$12,473.

Continued travel services to Medicaid clients which began January 1, 2005. Calculated savings for FY 2006 is \$1,182,527.

Contracts with Alaska Airlines, Northwest Airlines, and rural air carriers within Alaska, which generate most of the calculated savings.

Statutory and Regulatory Authority

AS 36.30.005 Centralization of Procurement Authority
AS 39.20.110-190 Travel Regulations.

Contact Information

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State Travel Office Component Financial Summary

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	250.2	293.3
72000 Travel	0.0	5.0	5.0
73000 Services	0.0	1,531.1	1,527.9
74000 Commodities	0.0	25.0	25.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	1,811.3	1,851.2
Funding Sources:			
1007 Inter-Agency Receipts	0.0	1,811.3	1,851.2
Funding Totals	0.0	1,811.3	1,851.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Managemen t Plan	FY2008 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	0.0	1,811.3	1,851.2
Restricted Total		0.0	1,811.3	1,851.2
Total Estimated Revenues		0.0	1,811.3	1,851.2

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	0.0	0.0	1,811.3	1,811.3
Proposed budget increases:				
-FY 08 Internal Dept Cost Increase due to Retirement Systems Rate Increases	0.0	0.0	4.8	4.8
-FY 08 Retirement Systems Rate Increases	0.0	0.0	35.1	35.1
FY2008 Governor	0.0	0.0	1,851.2	1,851.2

**State Travel Office
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	3	3	Annual Salaries	172,032
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	129,282
			<i>Less 2.66% Vacancy Factor</i>	(8,014)
			Lump Sum Premium Pay	0
Totals	3	3	Total Personal Services	293,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant IV	0	0	1	0	1
State Travel Manager	0	0	1	0	1
State Travel Office Assistant	0	0	1	0	1
Totals	0	0	3	0	3